

## EXHIBIT A

### ROYAL DUTCH SHELL<sup>1</sup> CORPORATE GOVERNANCE PRINCIPLES

#### A. The Board of Royal Dutch Shell plc (the "Board")

1. With respect to the Board:

(a) The CEO and other Senior Management of the Company<sup>2</sup> will not take on more than one non-executive directorship in a FTSE 100 company nor the chairmanship of such a company.<sup>3</sup>

(b) A majority of the Board, including the Chairman, shall be non-executive directors determined by the Board to be "independent directors," as defined below.

(c) To be deemed "independent" in any calendar year, a director must satisfy the following:

(i) Except as otherwise determined to be independent by the Board and accompanied by disclosure of the reasons for the Board's determination,<sup>4</sup> the

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<sup>1</sup> Hereinafter, the "Company."

<sup>2</sup> "Senior Management of the Company" or "Senior Management" will include the CEO, all other executive directors of the Company, the Company's Legal Director, Controller, Secretary and such other personnel as the CEO shall designate.

<sup>3</sup> To the extent this or any other of the new principles adopted by the Company contains a restriction that is inconsistent with the terms of the current employment agreement of a member of Senior Management, the new restriction will not become effective as to that member of Senior Management until his or her employment agreement is renewed or extended. In no event will any member of Senior Management be required to resign from a directorship that he or she currently holds by reason of this requirement.

director has not been an employee of the Company or the Royal Dutch/Shell Group of Companies within the last five calendar years;

(ii) Except as otherwise determined to be independent by the Board and accompanied by disclosure of the reasons for the Board's determination, the director has not within the last three years: (1) had a material business relationship with the Company either directly, or as a partner, shareholder, director or senior employee of a body that has such a relationship with the Company; or (2) received additional remuneration other than director's fees or *de minimis* amounts.

(iii) Except as otherwise determined to be independent by the Board and accompanied by disclosure of the reasons for the Board's determination, the director has not been a director, executive officer or controlling person of a not-for-profit entity that has received contributions from the Company or from its Senior Management in the previous twelve months that are in excess of the greater of \$1 million (U.S.) or 2% of the entity's gross revenues.

(iv) Except as otherwise determined to be independent by the Board and accompanied by disclosure of the reasons for the Board's determination, the director does not hold cross-directorships or have significant links with other Company directors through involvement in other companies or bodies.

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<sup>4</sup> Disclosure contemplated by this and other provisions shall, unless expressly noted otherwise, be made in the Company's Annual Report or in such other form of communication as the Board determines in good faith and in the best interest of the shareholders.

(v) Except as otherwise determined to be independent by the Board and accompanied by disclosure of the reasons for the Board's determination, the director does not have close family ties with any of the Company's advisers, directors or Senior Management.

(vi) A director is deemed to have "a material business relationship with the Company" if remuneration, other than *de minimis* remuneration or director's fees, was paid by the Company, its subsidiaries, or affiliates, to the director, to any entity in which the director has a beneficial ownership interest of five percent or more, or to an entity by which the director is employed or self-employed other than as a director. Remuneration is deemed *de minimis* remuneration if such remuneration is \$50,000 or less in any calendar year, or as otherwise determined and disclosed by the Board.

(d) No individual shall serve for more than 12 years as an independent director of the Company, and disclosure will be made for an independent director that has served on the Board for more than nine years.

(e) Non-executive directors will undertake that they have sufficient time to meet what is expected of them. Their other significant commitments will be disclosed to the Board before appointment, with a broad indication of time involved, and the Board will be informed of subsequent changes. Additionally, the Chairman will not accept a second chairmanship of a FTSE 100 company.

(f) Directors will be encouraged to invest in the Company.

2. The Board shall be responsible for a formal and rigorous annual evaluation of its own performance as well as that of its committees and individual directors. Individual director evaluations will aim to show whether each director continues to contribute effectively and demonstrates commitment to the role, including commitment of time for board and committee meetings and any other duties. The Company will disclose in the annual report how the Board, its committees and its individual directors conducted performance evaluations. Additionally, the Board will ensure that plans are in place for orderly succession of appointments to the Board and to Senior Management, so as to maintain an appropriate balance of skills and experience within the Company and on the Board.

3. The Chairman will routinely convene meetings of the non-executive directors without the executive directors present. The quality of the Company's financial and hydrocarbon reserve reporting and disclosure practices, the Company's system of internal controls, the integrity and performance of Senior Management of the Company, and corporate strategy shall be among the topics discussed at such meetings. The non-executive directors will also meet without the Chairman present at least annually to appraise the Chairman's performance and as the non-executive directors determine is otherwise necessary.

4. The Nomination and Succession, Remuneration and Audit Committees shall be composed entirely of non-executive directors.

5. The Nomination and Succession Committee shall perform the following functions:

(a) The Nomination and Succession Committee, or such other committee of independent directors as the Board shall direct, in consultation with the Chairman and CEO, shall be responsible for periodic review, interpretation, and administration of the Company's corporate governance policies, standards, procedures and/or guidelines, as well as consideration of other corporate governance issues that may, from time to time, merit consideration by the entire Board. The Annual Report shall include a report specifically addressing whether such policies and guidelines are adequate, any recommendations for changes and the status of their implementation;

(b) The Nomination and Succession Committee, in consultation with the Chairman and CEO, shall consider and make recommendations to the Board concerning the appropriate size and needs of the Board;

(c) The Nomination and Succession Committee, in consultation with the Chairman and CEO, shall consider candidates to fill vacant Board positions. Candidates shall be selected for their character, judgment, business experience, time commitment, and acumen;

(d) The Nomination and Succession Committee, in consultation with the Chairman and CEO, in the ordinary course of its communications with significant institutional shareholders and in the case of any particular vacancy, will obtain views from such institutional shareholders, including, where applicable, institutional shareholders based in each of the Netherlands, the United Kingdom, and the United States concerning Board member selection and qualifications, including such issues as the experience or expertise of candidates, in the context of evaluating candidates

proposed or identified by the Committee to fill vacant Board positions, and will consider those views; *provided however*, that this provision neither confers any right or standing under this Agreement, or otherwise, to any shareholder, nor is intended to serve as the basis for any future legal action or challenge in any form by or on behalf of any shareholder against the Company, the Board, the Nomination and Succession Committee or any member of the Board; and *further provided*, that the determination of candidates' qualifications and selection of candidates for nomination shall remain within the discretion of the Nomination and Succession Committee, in consultation with the Chairman and CEO; and

(e) The Nomination and Succession Committee shall consider policies relating to the Board and directors, including committee structure and size, retirement and resignation.

6. The Remuneration Committee shall meet at least once each calendar year in executive session, without the CEO or CFO present. The Remuneration Committee shall set annual and long-term performance goals for the CEO and evaluate his or her performance against such goals and the performance of the Company's peer companies.

7. Each of the Board's Committees shall have standing authorization, on its own decision, and at the sole expense of the Company, to retain legal and/or other advisors of its choice, which advisors shall report directly to the Committee.

8. The Chairman of the Board and CEO shall not be the same person. The Chairman will be appointed by the Board as a whole and the process will be led by the Nomination and Succession Committee. The Chairman is responsible for ensuring that

the Board and its Committees function effectively. With the CEO, he shall ensure that members of the Board receive accurate, timely and clear information. To this end the Chairman of the Board shall see to it that:

- (a) there is an adequate induction and training programme that all directors follow;
- (b) the development needs of individual directors are identified and met;
- (c) all directors receive in good time all information which is necessary for the proper performance of their duties and have sufficient time to take decisions;
- (d) the performance of the CEO, the other executive directors and non-executive directors is assessed at least once a year;
- (e) the Board elects a Deputy Chairman; and
- (f) the Board has proper contact with the CEO and the Executive Committee.

9. The Chairman shall have the authority and discretion to retain such counsel or consultants as the Chairman deems necessary to perform his or her responsibilities and those of the Board;

10. The Chairman shall receive additional compensation for performing the function of Chairman and will have a secretariat sufficient to allow performance of that position.

**B. Compensation of Directors and Senior Management**

1. The Remuneration Committee shall use the following compensation principles in considering compensation for directors and Senior Management:

(a) Levels of compensation shall be sufficient to attract, retain and motivate directors of the quality required to run the Company successfully. A significant proportion of executive directors' compensation shall be structured so as to link rewards to corporate and individual performance.

(b) In circumstances where compensation arrangements involve Company stock, the arrangements shall promote long-term ownership of the Company's stock to align the interests of Senior Management and stockholders.

(c) Performance-related elements of remuneration shall form a significant proportion of the total remuneration package of executive directors and other members of Senior Management and should be designed to align their interests with those of shareholders to provide performance incentives.

(d) In approving compensation, the recent compensation history of the executive director or other member of Senior Management, as the case may be, including special or unusual compensation payments, shall be taken into consideration.

(e) Cash incentive compensation plans for Senior Management shall link pay to achievement of performance conditions set in advance by the Remuneration Committee, but no bonuses will be based solely on levels of proved hydrocarbon reserves.



(f) The Remuneration Committee may separately retain independent experts to advise it as to compensation of executive directors and members of Senior Management, which shall provide separate, independent and comparative compensation data.

(g) The Company will disclose the features of any equity-based compensation arrangements for executive directors.

(h) Compensation for non-executive independent directors will not include share options. The Company will disclose the compensation arrangements for non-executive directors.

(i) Pay shall be increased in an amount determined from time to time by the Board and disclosed by the Company because of service as chair of one of three main committees (Audit, Remuneration, Nomination and Succession).

(j) The Company will comply with applicable disclosure and other requirements of the Directors' Remuneration Report Regulations 2002, as amended from time to time.

(k) The Company will disclose severance or termination payments of members of Senior Management in excess of the greater of \$1 million (U.S.) or the annual target compensation of the terminated member of Senior Management.

(l) The Company will disclose the names of any consultant(s) retained by the Remuneration Committee and the nature of any other services the consultant(s) provided to the Company.

(m) Other than as approved by the Remuneration Committee on a case-by-case basis based on a showing of special need, no option to acquire Company stock issued to Senior Management of the Company shall be exercisable for at least two years from its grant date; provided however, that nothing in this provision shall affect the rights of option-holders with respect to options issued by any predecessor to the Company.

**C. Annual General Meeting (“AGM”)**

1. There must be one AGM at which directors are elected, if applicable, management presents, and shareholders are given opportunity to question.

2. There shall be an opportunity at the AGM for general question and comment following the CEO’s presentation and for each item on the agenda, which may be directed to particular directors or members of Senior Management.

3. The Chairman of the Board should arrange for the chairmen or other representatives of the Audit, Remuneration and Nomination and Succession Committees to be present at the AGM to answer questions. The Chairman should provide that shareholder views are effectively communicated to the whole Board. Subject to legal restrictions on selective disclosure, it is the responsibility of the Chairman, with the CEO, to discuss governance and strategy with major shareholders.

4. The AGM shall be open to the media, subject to reasonable policies and procedures governing media coverage necessary for the orderly conduct of the AGM.

The AGM shall generally be held in The Netherlands and drawing as necessary on

technological links to permit active two-way participation by persons physically present in both the UK and the Netherlands.

**D. Financial Integrity, Reporting and Controls**

1. The Company will comply with all applicable provisions of Sarbanes-Oxley as well as the Combined Code in London. The Company will commit to provide timely disclosure of changes in its applicable Code of Ethics and of changes to material off-balance sheet transactions or obligations.

2. The Company's CFO shall not have been employed by one of the Company's outside auditor firms during the prior two years or, if involved in the firm's audit of the Company, during the prior five years.

3. The Company shall implement and maintain an effective internal audit function, including specific procedures concerning hydrocarbon reserve estimates and a department specifically charged with the responsibility of reviewing hydrocarbon reserve estimates. The Chief Internal Auditor, whose appointment shall be confirmed by the Audit Committee and who will report to the Audit Committee at every regularly scheduled Audit Committee meeting, shall oversee an internal audit staff that shall audit the Company's internal control environment, including the Company's internal financial controls. The Chief Internal Auditor shall be responsible for consolidating an Internal Audit Plan for each fiscal year which will be presented to the Audit Committee of the Board. Reports of the Chief Internal Auditor to the Audit Committee shall provide a balanced assessment of significant risks and the effectiveness of the system of internal controls in managing these risks. The reports shall also include discussion of any

significant control failings or weaknesses identified in the audits, including discussion of the impact of such failings or weaknesses. The Audit Committee shall discuss any remedial actions proposed or adopted with the Chief Internal Auditor and Senior Management, as appropriate.

4. At each regularly scheduled Board meeting following quarter end, the Company's CFO shall provide a report as to the Company's financial condition and prospects, including, as applicable, but not limited to, a comparison of the Company's performance to relevant internal financial forecasts or budgets as well as any external guidance provided by the Company to investors, significant reasons for material increases in expenses and liabilities and material decreases in revenues and earnings, including any modification or adjustment of reserve accounts or contingencies, and management plans for ameliorating or reversing any negative trends and the success or failure of any such plans presented in the past. This presentation will be reflected as appropriate in the Board minutes.

5. The CEO and CFO shall be responsible for ensuring that the Company's accounting practices, including proved hydrocarbon reserve estimates, comply with International Financial Reporting Standards and any other applicable and mandatory reporting requirements. Significant practices shall be reviewed and discussed with the Board.

6. With respect to estimation of proved hydrocarbon reserves, the Company shall employ, for at least five years, an outside independent consultant to assist in its proved hydrocarbon reserves auditing process and to assist in devising uniform company-

wide standards, which shall be disclosed on its website. Any such consultants employed will be available to the Audit Committee and Board for questions on the reported levels of proved hydrocarbon reserves.

7. The CEO and CFO will be responsible for assuring compliance of the Company's financial and other reporting practices with all applicable laws, rules, regulations and Company policies.

**E. Auditing and the Audit Committee**

1. The Board will establish and maintain an Audit Committee consisting of at least 3 members who should all be independent, non-executive directors. Each Audit Committee member shall be financially literate as defined by the Board (or become financially literate within a reasonable period of time after appointment to the Audit Committee) and one member will be designated as the audit committee financial expert based on relevant accounting or related financial management experience.

2. The chairmanship of the Audit Committee shall rotate on a periodic basis. At the end of such rotation the former chairman may remain as a member of the Audit Committee, and may serve a non-consecutive term as chairman again in the future.

3. The Audit Committee will meet with the Company's Legal Director (or the functional equivalent of the most senior internal legal advisor to the Company) at least semi-annually to review legal and compliance issues.

4. The CFO's performance, the absence of any conflicts or related party transactions and his or her significant business and investment transactions shall be reviewed by the Audit Committee annually. The CFO shall be prohibited from any

profit-making business activities outside the Company that relate to activities of the Company.

5. The Audit Committee shall identify and, as it determines is necessary and appropriate in its sole discretion, retain an independent law firm, as well as any independent analytic resources deemed beneficial to the Committee. While such professionals need only be consulted as deemed useful by the Committee, a relationship with an independent law firm shall be established in advance so that advice can be taken quickly when situations warrant.

6. The Company shall engage independent auditing firm(s) to perform an annual audit of its financial statements in accordance with applicable auditing standards. The Audit Committee has primary responsibility for making recommendations on appointment, reappointment and removal of external auditors.

7. The Audit Committee shall review the budget of, and the compensation of personnel in, the internal audit department.

8. The Company's Auditors may not provide the following non-audit services to the Company: (i) bookkeeping or other services related to accounting records or financial statements of the Company or any of the Company's affiliates or subsidiaries; (ii) design and implementation of the Company's financial systems; (iii) appraisal or valuation of the Company's financial systems; (iv) actuarial services; (v) internal audit outsourcing services; (vi) management functions; (vii) human resource functions; (viii) broker-dealer, investment adviser, or investment banking services; (ix) legal services; and (x) expert services unrelated to the audit. Further, the annual report

will explain how, if an auditor provides any other non-audit services, the auditor's objectivity and independence is safeguarded.

**F. Insider Trading Disclosure and Controls**

1. The Board will appoint a senior officer of the Company who will be responsible for effecting compliance with the Company's stock trading and market communications policy. That individual will be responsible for developing (with Board involvement), presenting to the Board for approval, and implementing, monitoring and updating (with Board involvement and approval) one or more Codes of Conduct designed to ensure compliance with the Company's trading policies. At least once yearly, the independent directors will receive a report on compliance, which report shall be reflected as appropriate in the Board minutes.

2. Except as otherwise provided in a pre-approved written trading policy or pursuant to any exception available under applicable law, any director or officer of the Company who possesses non-public material inside information, as defined by applicable law, concerning the Company's financial results shall be prohibited from trading in the Company's securities while in possession of such information. The Company will establish a trading period before and after issuance of financial results or the release of other material information.

3. The Code(s) of Conduct governing trading shall prohibit directors and other members of Senior Management from entering into any securities transaction by which they would directly profit from a decline in the price of the Company's stock, including, but not limited to, "short" sales of Company stock.

**G. Corporate Ethics, Honesty and Legal Compliance**

1. The Company will adopt and implement an effective compliance function, including the appointment of a senior compliance officer who shall have the duty and authority to do the following:

(a) Create, implement and oversee a system by which corporate employees, suppliers, customers and advisor professionals and the like can, on a confidential basis and without fear or reprisal, provide information concerning possible illegal or unethical conduct regarding the Company; and

(b) Subject to the consent of the Company's Legal Director (or the functional equivalent of the most senior internal legal advisor to the Company), retain separate and independent counsel at the Company's expense to provide advice and counsel.

2. This officer, whose identity will be disclosed on the Company's website, will also act as a neutral party for the employees to report instances of illegal behavior or other compliance-related concerns.

3. The senior compliance officer will report directly to the Company's Legal Director (or the functional equivalent of the most senior internal legal advisor to the Company).